

# **Mental Health Redesign House File 2780**

Last Action:

**House Appropriations  
Committee**

March 28, 2006

## **Executive Summary Only**

**An Act relating to persons with mental illness, mental retardation, developmental disabilities, or brain injury by addressing purposes and quality standards for services and other support available for such persons, establishing basic financial eligibility standards, addressing state and county financial responsibility for the cost of the services and other support, and providing effective and applicability dates.**

**Fiscal Services Division  
Legislative Services Agency**

## **NOTES ON BILLS AND AMENDMENTS (NOBA)**

Available on line at <http://www3.legis.state.ia.us/noba/index.jsp>

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# EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS

# HOUSE FILE 2780 MENTAL HEALTH REDESIGN

## MENTAL HEALTH REDESIGN

- Establishes various duties for the Department of Human Services and the Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury (MH/MR/DD/BI) Commission.
- Requires various items within county management plans for MH/MR/DD/BI services including individualization, cost-effectiveness, access, increased mental health workers, and outcomes and indicators.

## ELIGIBILITY

- Establishes a 150.0% Federal Poverty Level (FPL) for financial eligibility for county MH/MR/DD/BI services. This impacts 11 counties that are below this FPL.
- Provides resource limitations that are based on the federal Supplemental Security Income (SSI) Program in addition to retaining a retirement, burial, medical savings, and assistive technology accounts.

## STATE CASES

- Provides for a two-year implementation for counties to assume responsibility and the cost for those individuals served by the State Cases Program (legal settlement). These individuals will be provided the same services as those with legal settlement, and the provider will be paid the same reimbursement rate as the county pays for those with legal settlement.
- For FY 2007 and FY 2008, the county of residence will determine the eligibility and services while the State is responsible for the cost.
- Specifies the intent that for FY 2009, the General Assembly will provide the funds necessary for counties to pay the costs of services and reimbursement rates for those previously designated a State Case.

## FISCAL IMPACT

- The fiscal impact is estimated at \$3.5 million, which may be offset by the termination of the annual \$1.0 million existing contract with a managed care provider of the State Cases Program. This includes:
  - \$2.9 million for the State Cases cost of services and reimbursement rates. This includes \$500,000 for mental health hospitalization costs that the State would not currently be required to pay.
  - \$354,000 for increase in the number of mental health workers.
  - \$260,000 for assessment tools, without independent assessments and without including the impact of expected increase in services.